

# Focal Points of Social Welfare Policies in Japan

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# Focal Points of Social Welfare Policies in Japan

Hirokazu Murakawa

## Introduction

The disastrous wilderness of the aftermath of the Great East Japan Earthquake still stretches in front of our eyes. Epoch making phenomena, even from the world history point of view, have been continuously unfolding, since a massive earthquake, one of a kind in a thousand years, and the consequent huge tsunami that exceeded more than 30 to 40 meters devastated the northeast coast of Japan, causing a meltdown at the Fukushima Daiichi Nuclear Power Station run by the Tokyo Electric Power Company, Inc. The disaster not only caused 16,000 deaths and more than 8,000 missing persons of (as of 11 June 2011), but also ongoing social tragedy among people who are still living in emergency shelters, or who have moved to temporary accommodation but worry about financial security and their future life, who had to abandon their homes in fear of radiation and who lost family, home, work, school and friends.

On the global level, economic stagnation has been spreading. The subprime loans crisis that had started in the US in 2007 pushed a major securities company into bankruptcy in the fall of 2008 along with management crises in the three major automobile manufacturers<sup>1,2)</sup>. The economic downturn caused mass unemployment and some of the EU countries are facing financial collapse and extremely high rates of unemployment. In Japan as well, the number of recipients of welfare benefit hits an all-time high of 2 million people, with poverty spreading into the society, including ‘child poverty’<sup>6,8)</sup>, a situation comparable to the chaotic time after the Second World War<sup>3,4,5)</sup>. However, we should not just lament these situations. It is important to understand the social situations correctly, work hard to avoid a crisis of the social system and clarify the approach to progressive reforms to solve the problems.

The basic approach to social welfare is to identify the policy issues and suggest the new direction to solve the problems, as well as to improve and maintain the quality of life (QOL) and the dignity of the service users. Japan has developed its social welfare services and the social security system steadily since the Second World War. With sound understanding of its achievements and issues, with clear and cool-headed visions for its recovery and regeneration, we have to support the nurturing of the next generation and revitalization of local communities as well as to train and retain the social welfare professionals that include caregivers of the elderly and small children, in order to adapt to the 21st century reality, in a country with a low birth rate and aging population, and the increasingly varied needs of its people.

## 1. Social welfare in Japan today

What are the challenges facing Japan in terms of social welfare in the 21st century?

Firstly, as it is well known, we are in a demographic trend of low birth rate and ageing population and at an important stage to advance policies dealing with the welfare of the elderly and their care as well as to establish policies that aim to reverse the current trend of low birth rate by providing effective child care support services.

Secondly, we must create a new framework of policies regarding disabled people to provide better care services based on the care-in-the-community approach, as well as to eliminate any form of discrimination as set out in the United Nations Convention on the Rights of Persons with Disabilities.

Thirdly, there are mounting issues with regard to the social security policies with ever expanding social needs, from support for those in unstable employment or unemployment, both young and old, for housing, and dealing with homelessness to support for crime victims and foreign residents living in Japan.

The most pressing issues of recent origin are the consequences of the Great East Japan Earthquake disaster of March 2011 (massive earthquake and tsunami, and meltdown at a nuclear power station). An approach to support the victims in social solidarity aiming to solve the welfare issues on local points of view are necessary as well as to advance safe and secure 'community building' by clarifying community-based disaster preventive measures and environmental preservation.

## 2. Focal points in social welfare policies

Looking ahead from 2025 into the middle of the 21st century, Japan needs to clarify its path as a welfare state and welfare society while finding the way in which the vision of the welfare state will be handed down and how to maintain the welfare of the local communities.

### (1) Historical background

The social welfare system in Japan has been gradually established since the Second World War and there have been repeated reforms since 1990s. Several laws such as the Long-Term Care Insurance Act (1997, 2000), the Social Welfare Act (2000, 2003) and the Act on Advancement of Measures to Support Raising Next-Generation Children (2003, 2005) were stipulated and implemented while further reviews and discussions to form consensus on implementation are still needed for the Services and Supports for Persons with Disabilities Act and the Act on Assurance of Medical Care for Elderly People (Latter-Stage Elderly Healthcare System).

Though the process of reform is zigzagging, it is essential that the local communities, industries and the local governments have a will to work together to solve the problems as well as to create a national consensus, placing child-support programs at its core, as shown in an example of the Measures to Support Next Generation Children.

## (2) Securing the finance

As mentioned in the Introduction, the social welfare challenges in Japan are enormous and varied and it is obvious that we must secure sustainable financial resources in order to meet these challenges. As of June 2011, social security and taxation are extensively discussed throughout the government and it is of extreme importance that appropriate conclusions and directions are presented and the consensus is formed as soon as possible. Creating a national consensus of sharing the burden among the citizens, supported by strong political will to maintain a welfare state and society and financed by value added tax (tax rates between 20% and 25%) is an example of the European countries, and in Japan as well, an increase of the Consumption Tax rate from the current 5% to 8% and eventually to 10%, to be earmarked for the welfare expenditures, was passed in the Diet in August 2012.

## (3) Planning and social welfare policies

The roles and issues of social welfare planning must be regarded as part of the social planning in general, taking its social and socioeconomic backgrounds and their historical changes into consideration.

A series of stages of state planning has been carried out and implemented since the end of the Second World War in Japan, such as the Economic Plan (Social Economic Development Plan), the Land Development Plan and the Land Utilization Plan. Social planning including urban and environmental plans, has also developed multi dimensionally.

Among these developments, specifically in the field of social welfare, the Social Welfare Facilities Building 5 Years Plan (1970) and The Golden Plan (National) of 1989 were especially influential, with the Elderly Health and Welfare Plan (municipal) based on the revision of the 8 social welfare acts in 1990 promoted nationwide. Since 2000, there have been new developments in several areas including care of the elderly, disabled people and children (the Next Generation Child Support), emphasizing the need to promote a comprehensive welfare approach at local community levels and with citizen's participation (voluntary participation of local residents on voluntary bases), making the planning in the social welfare field more important in its positioning and the roles it can play.

# 3. Issues in social welfare planning

## (1) What is planning?

Planning is an important policy implementation technique in central and local governments in which actions (systems, programs, services etc.) to achieve policy objectives are published in order to form a wider consensus among the general public (local residents). (It goes without saying that, in other dimensions, companies and enterprises create and execute management and business plans).

Planning is not just a paper exercise. When a government, whether central or local, executes a policy objective, it is important to note that a powerful will (power agency) is generated, of objective management in order to achieve the objective. It is also important to carry out assessments and analyses on a regular basis, such as the duration of the plan or every fiscal year, as stated in the plan.

Planning of the social area relating to the lives of the citizens, in other words, 'Social Planning', had

been discussed in relation to the ‘Social State’, based on the representative democracy of the late 19<sup>th</sup> century, and concepts such as ‘socialization’ were suggested. Then, from the aftermath of the Great Depression of 1929, the welfare state model emerged, that promised full employment and promotion of welfare (improvement and maintenance of living standards). With the background of ideological conflict with the Soviet style socialistic planned economy of the 1930s, the mixed economy system was established, to overcome the stagnation and instability of the modern capitalistic economies by creating ‘effective demand’ and planned investment led by the government to stabilize the society and the economy as well as to create employment.

#### 4. Rejuvenation and welfare of local communities in a depopulating society

These days there are many examples of global socio-economic changes impacting a local community. What we need is a ‘glocal’ (global +local) point of view. There are some local communities where exogenous factors become a decisive solution, such as aid to a poor country highlighted by the United Nations.

In Japan, a basic trend of depopulation and low birth rate has been pointed out since 2005. Rejuvenation of local communities is a very important and unavoidable issue, along with the old as well as new problem of overcrowding and under population. The phenomenon of low birth rate and aging population will accelerate in inner cities as well as in hilly and mountainous areas from 2010 onward, and realization of the following measures will contribute toward creating better environments for local communities to thrive.

As for the response to the Great East Japan Earthquake, the urgent policy issues include reinstating of community life systems and providing reconstruction support for areas directly affected as well as wider areas, focusing on support for the disaster victims<sup>9)</sup>.

- (1) Increase in public investment in areas such as elderly care, childcare<sup>6)</sup>, environment, agriculture, forestry and fishery and other areas which have been traditionally neglected, establishment of new industrial policies that encourage domestic development such as welfare, healthcare and education. It is also important to promote investment in securing human resources and educating people who are going to work in these areas, including career guidance, as well as to promote better human resource strategies.
- (2) Creation of life-line streets, mainly consisting of pedestrian walkways to ensure a safe and secure everyday environment for local residents (putting a brake on the construction of motorways with less envisaged use and destroy natural environment).
- (3) Enhance public facilities up to the standard stipulated in the new Barrier-free Law, advance earthquake-resistance construction in school and welfare related buildings, and stop the programs that destroy urban and natural environments.
- (4) Pay attention to Germany’s policy of phasing out all nuclear power by 2022 (note), (Switzerland, Austria and Italy also decided on a full phase-out and Sweden has its own reduction plan), the US’s Green New Deal initiatives, advance environmental and welfare projects including the

utilization of wind, solar and geothermal power.

- (5) Clarify the way to create a social system that supports raising the next generation of children (as mentioned in (1)), to facilitate a reversal of the trend of depopulation of local communities<sup>10) 11)</sup>.

(Note) In 2001, the Schröder government (coalition of the Social Democratic Party of Germany and the Greens) decided to phase out all nuclear power stations by 2022. This decision was overturned by the Merkel government in 2010, only to be reversed again in favor of demolition, after the Fukushima accident, in fear of losing a local election.

## 5. Visions and issues for social welfare, social security and planning

### (1) Enhancement of people-centered social services

The following items are important in response to the low birthrate depopulating trend.

#### **i. ‘Child Welfare and Mother and Child Healthcare Renaissance Plan’ that gives hope to the next generation**

A healthy local community will slow the trend of depopulation and improve the birth rate.

The following are essential : 1) Enhancement of childcare support (childcare provision for babies and toddlers, after-school clubs, mother and child healthcare services, medical care services for young children and others), 2) Improvement of work-life balance for both men and women of working and child-rearing age (improvement of attitude at workplaces), 3) Improvement of the environment for living such as housing, children’s parks, public green spaces, clean air and drinking water etc. 4) Enhancement of health, medical and welfare services for disabled children and support for single parents, 5) Quick response to serious human rights issues such as child abuse, and improved coordination of related institutions such as child consultation centers. 6) Enhancement of obligatory education, work (specialist) and career education, 7) Improvement of the environments in which children and young people can grow up healthily.

Government initiatives such as ‘Visions for children and childcare’ have been produced and implemented, but since the Act on Advancement of Measures to Support Raising Next-Generation Children is a temporary statute, it is hoped that strategies and planning that oversee mid to long-term (a generation or approximately 30 years) progress is sustainably developed.

#### **ii. Enhancement of services and reform of the elderly care system based on the ‘Community Comprehensive Care’ approach**

As for the enhancement of the elderly welfare and long-term care insurance services, the following measures are called for: 1) Enhancement of community-based services for at-home and in-facility cares, 2) Concrete promotion of collaboration between elderly care and medical treatment (such as early diagnosis of and response to dementia, community-based terminal care facilities etc.), 3) Preventive measures (comprehensive implementation of prevention of illness and promotion of healthy life style, care prevention for the elderly etc.), 4) Everyday life assistance services (enhancement of meal delivery/ invitation services, emergency communication systems etc.), 5) Promotion of elderly housing with supportive services, and barrier-free houses, 6) Linking up with community disaster preventive plan and ensuring to implement special assistance for vulnerable people at a time of disaster. From the ‘Community

Comprehensive Care’ point of view, continuous enhancement of services and planning, reform of the elderly care related systems and securing of financial resources are necessary. (As the Latter-Stage Elderly Healthcare System moved to a new regime and with continuous reform efforts, the long-term elderly care insurance system will come out from the dead-end situation and restructure).

### **iii. A new step of support for disabled persons and responding to ‘varied needs’**

Following the abolition of the Services and Supports for Persons with Disabilities Act, the Comprehensive Welfare Act for Persons with Disabilities was introduced. Building on 1) basics such as the ban on discrimination against a disabled person, it clarifies new welfare services, including those with 2) developmental disabilities and higher brain dysfunction. Considering the grave consequences of the meltdown of the nuclear power station, it is desirable to make provision for medical services, life support and other related services for radiation damage.

Additionally, development of community-based support with fraternity and unity at their cores is called for, such as continuous support and assistance for homelessness and other various everyday life assistances including those aimed at foreign residents living in Japan.

## **(2) New development of ‘minimum income guarantee’ based on pension reform and promotion of employment**

As with the securing of financial resources for welfare described in the next section and for national pension and basic pension, investigation into a minimum income guarantee pension system has started in Japan as a mitigation measure for pensioners with low income, the development of which should be monitored closely<sup>7)</sup>.

From the point of view of a minimum income guarantee for the general public, the primary issue is to provide work for anyone who is willing and has ability to work. As one of the mid to long-term solutions to the unemployment issue, work sharing based on the Netherlands model may be worth considering.

With the recent trend of increasing numbers of social benefit recipients, the benefit system itself is at the crossroad of reconsideration, and new concepts such as a minimum basic income are on the agenda<sup>12)</sup>.

## **(3) Securing financial resources for welfare and ‘introduction of tax earmarked for welfare’**

A decade of shift towards neo-liberal socio-economic policies with a heavy deficit in the National Insurance budget (1997 to 2008, a period centered around the Koizumi government) has pushed us to the cliff top, and the reconstruction of the welfare system governed by social justice is urgently needed. After the change of government in 2009, as a result of political process, the government is currently investigating the possibility of ‘integrated reform of tax and social security’ (February to June 2011).

One highly possible scenario is the ‘introduction of a tax earmarked for welfare’, aiming at a rate of 10% in 2015, to secure stable financial resources for welfare such as pensions, elderly and child care (public consensus is of course necessary, as are discussions regarding the rate change of the Local Consumption Tax, change of status for project/business run by a local government, reduced tax rates for food and other necessities, etc.)



#### (4) Present situation of the welfare plans

As for the Measures to Support Raising Next-Generation Children, we need to verify their achievement and the trend comparing the pre- and after implementation. As mentioned earlier, we must steadily advance the ‘Child Welfare and Mother and Child Healthcare Renaissance Plan’, that provides hope for the next generation. Government initiatives such as ‘Visions for children and childcare’ were produced and implemented in January 2010, but, since the Act on Advancement of Measures to Support Raising Next-Generation Children is a temporary statute, it is hoped that strategies and planning that oversee mid to long-term (a generation or approximately 30 years) progress is sustainably developed.

As for the plans regarding disabled persons and their welfare, using the Basic Act for the Disabled Persons as its corner-stone, it is important to clarify how best to secure concrete social resources and services in providing special needs schools, and career paths after school as well as to construct a service user system that reflects the needs and reality, by helping to find work (which must not be forced labor) and helping them to integrate into a local community (must not add more homeless disabled persons). A concrete set of services, especially for those with developmental disabilities and higher brain dysfunction must be developed and put into service.

As for the plans regarding the health and welfare of the elderly and the elderly long-term care insurance related matters, it is important to enhance services such as community-based, at-home and in-facility care services, continuously being aware of the progress of the system reform, from the “Community Comprehensive Care’ approach point of view. It is also important to provide concrete services for everyday life assistance and promote elderly housing with supportive services. It is also essential that preventive healthcare services be linked to the healthy life style initiatives.

Finally, as for the plans regarding community-based welfare services, it is important that the issues, as we have been seeing in the previous sections, and the countermeasures be clearly addressed, while we actively seek ways to respond to ‘various types of needs’, supported by participation of the local residents and their volunteer activities. It is worth noticing that planning of community-based welfare services is designed as a voluntary policy for the local governments. It is designed so that a local government can maintain autonomy and locality, as well as enhancing the possibility of solving problems with residents’ participation.

#### (5) Philosophy of social welfare and the present situation

We have been looking at the main points of policy issues and planning of social welfare in Japan. Since most of the topics dealt with so far were related to the reality, I would like to reiterate here the philosophy of social welfare. In modern democratic and welfare countries the following ideals<sup>13)</sup> are shared among the people:

1) Quality of Life, 2) Social Justice, 3) Solidarity, 4) Participatory democracy(Participation) and 5) Fraternity.

In order to achieve these ideals, ‘social policies and social planning’ are employed, complemented by another excellent practice of ‘social works’. From the experiences of European countries with a long history of social welfare provisions, such as the United Kingdom, it is suggested that the shift from ‘medical



(diagnostic) model’ to ‘social (functional) model’ and to the present day ‘citizenship model’ ie citizens’ participation model, holds the key to solve problems. Because of its rapid development since the Second World War, there still is a tendency in welfare related fields in Japan to place too much importance on specialized techniques and methods with closed-mindedness. However what is hoped for here is a strong development of participatory social works of the next generation model, created on the needs of ordinary citizens. While we are facing the process of recovery from the Great East Japan Earthquake, are we going to interpret the cooperative efforts of the people in the region as the recurrence of their traditional spirit of ‘solidarity’, or are we able to develop wider and more comprehensive networks involving nationwide social solidarity? Along with the fundamental solution to the aftermath of the meltdown at the nuclear power station, the citizens of Japan are facing the tough question of whether they will be able to create the real value of welfare.

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